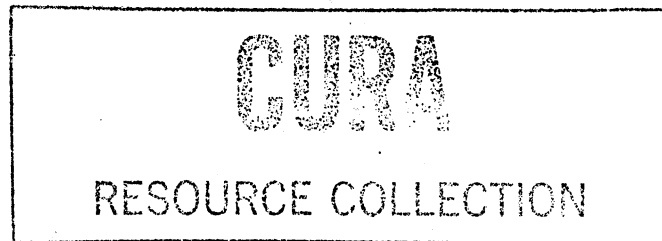


FUNDAMENTAL PRINCIPLES AND MODEL
FOR SOCIAL INTERVENTION OF
COLOMBIA'S FUNDACIÓN SOCIAL

by the Social Policy Council,
Fundación Social

Working Document
Bogotá, Colombia, April 1985

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Translated from the Spanish by
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FOREWORD

Colombia's Fundación Social and affiliated firms, formerly known collectively as the Grupo Social, are a corporate conglomerate dedicated to establishing social justice. Although the Fundación's roots go back to the 1911 founding of a small workers' savings association under the tutelage of a Spanish Jesuit priest, it has undergone a metamorphosis in recent years. Between 1972 and 1985 it expanded from two to twenty-three firms, all belonging to the financial and services sectors of the Colombian economy, and its assets grew from US\$500,000 to \$500,000,000.

The Fundación Social, which serves as the holding company coordinating all twenty-three firms, is a nonprofit foundation under Colombian law. It is the primary stockholder--directly or indirectly--in all its affiliated firms, many of which are legally constituted as profit-making corporations. Annually the profits of the twenty-three firms are pooled and the twenty-three managers compete for the funds necessary to carry out their plans, particularly in the third year of the rolling triennium for which they must submit plans. Criteria for allocating resources among the firms include both their financial effectiveness and their social impact.

The fundación's governance seeks to assure that profits will not be allowed to become ends in themselves rather than means to the larger end of promoting social justice. It has two chief executive officers and two boards of directors. The General Manager, comparable to the CEO of traditional corporations, bears the primary responsibility for the financial management of the organization. He reports to the Council of Directors, composed of lay people who are experts in finance, administration, public policy, etc. The Social Policy Director, a Jesuit priest, provides moral and spiritual guidance. As "moral auditor" of the enterprise, he and the Jesuit-dominated Social Policy Council, to which he reports, are responsible for articulating the fundación's values, principles, and goals and for assuring that the behavior of its firms remains true to them. They are the built-in voice for social criteria in priorities and everyday operations. Major policies are determined by consensus of the two boards of directors. The holding company in turn has the power to enforce its criteria on the other firms. Besides holding the purse strings, the fundación can remove and appoint firm managers, veto projects, or even liquidate firms.

The fundación's firms engage in a wide variety of programs. One has designed a savings and credit program to reach families traditionally untouched by formal financial institutions, so that today more than one of ten Colombian families has deposits with the Caja Social de Ahorros; the caja's credit program, using an ingenious system of collateral, has permitted it not only to extend loans to people traditionally considered too poor to be credit worthy but also to achieve the lowest default rate of any Colombian lending institution. Its corporation to capture private savings for investment in housing, Corporación Colmena, has used the political leverage which its size and prestige give it to achieve significant changes in Colombian housing laws to benefit the poor. Its fringe benefit firm, Compensar, has persuaded the government to end abuses among other such firms and to regulate such firms more closely. Other firms work in such fields as low-income housing (Fundación Colmena), construction (Promotora Colmena), insurance (Seguros Colmena), radio-TV programming (Cenpro), leasing (Leasing Colmena), trust management (Fiduciaria Colmena), community education (Projuventud), venture capital (Corporación Financiera de Occidente), data processing (Prosistemas), publishing (Litosocial), and recreation for the poor (Servir).

Although Fundación Social is a lay organization whose employees represent a wide variety of religious and political perspectives, it is guided ethically and philosophically by the Jesuits and inspired by modern Catholic social teaching, especially its Latin American variety as expressed in the Acts of the Latin American Episcopal Conferences of Medellín (1968) and Puebla (1978). Over the seven decades of its existence Fundación Social has gradually developed and refined a set of underlying principles which it calls its axiologia. These achieved formal, systematic expression for the first time in the late 1970s and early 1980s in a series of documents written by Adán Londoño S.J., then Social Policy Director of the Grupo Social. The most comprehensive and recent of these, an eighty-page booklet entitled Así pensamos.... así somos: Axiologia del Grupo Social, was published in the spring of 1984. The document translated here supersedes that version of the axiologia.

In the year between the two documents, sweeping changes took place in the conglomerate. Culminating four years of quiet conflict with much of the Jesuit community in Colombia, in mid-1984 the Grupo was restructured, its name changed to Fundación Social y sus empresas afiliadas, and its top officials replaced. Since then the Fundación has been undergoing a thorough self-assessment, reordering of priorities, and further reorganization and personnel changes. The present document is the philosophical expression of the new order, led by the Jesuits on the Fundación's Social Policy Council and especially by the new Social Policy Director, Alberto Jiménez S.J.

The present version of Fundación Social's axiologia shares much with its predecessor. Constants include its stress on inspiration in Christian gospel and Catholic social teaching, its insistence on the Latin American bishops' "preferential option for the poor," and its definition of Fundación Social as a business enterprise at the service of social change. At the same time, much of the document reflects the agenda of the Fundación's new leadership at this particular juncture in the organization's history.

Chip Peterson
September 1985

I. A SINGLE HISTORY

1. Founded by Father José María Campoamor S. J. on 1 January 1911, the Círculo de Obreros (Workers' Circle) and the Caja de Ahorros del Círculo de Obreros (Savings Fund of the Workers' Circle) were the two initial institutions that generated a history leading to what today is known as Fundación Social and associated firms.
2. As an act of justice in his apostolic mission, Father Campoamor summoned workers and distinguished persons in the community to respond concretely, with guidance from the Gospel, to the poverty and indigent conditions in which the poorer classes were living.*
3. A personal and institutional response was developed through Father Campoamor's pastoral movement.

Soon schools for poor children, groups for Christian orientation of youths engaged in domestic service, night schools for workers, and even a vacation camp for school children were founded, as well as the Caja de Ahorros. The Caja met great resistance from mistrustful public employees, but perseverance gradually overcame this resistance.

4. The following then emerged:
 - A model for action
 - An institutional tool
 - A theoretical doctrinal framework
 - A group of persons who, pooling their wills to serve, directed the institution at that concrete historical moment
5. The model for action was rooted in:
 - a) The evangelical option for the poor, with preference for workers of both sexes
 - b) Three great priorities:
 - Instruction
 - Economic improvement
 - Development of moral conscience
 - c) The means to act upon the priorities:
 - For instruction:
 - Newspaper
 - Library
 - Centers for social studies
 - Evening institutes and workshops
 - Farms
 - Sunday schools
 - Schools and school restaurants
 - Youth battalion
 - Vacation camp
 - For economic improvement:
 - Banking: Caja de Ahorros
 - Commerce: grocery stores

*In the Spanish original the term popular is used frequently to mean "of, or pertaining to, the people." To avoid the more frequent English connotation of popular as "well-liked," I have translated the Spanish term as "poorer." Thus here clases populares is rendered as "poorer classes," and elsewhere sectores populares comes across as "poorer sectors."--Translator.

- Industry: printing, domestic work, workshops, agricultural work
- Welfare: mutual support systems in cases of illness or death, pensions for old age, dowry fund

For moral development:

- Popular celebrations
- Theater, music, dance
- Sports
- Houses for workers' families
- Field trips
- Youth hostel
- Promotion of the Christian family

6. The institutional instrument:

- Círculo de Obreros: Made up of active members (male and female workers) and protective members (ladies and gentlemen)
- Caja de Ahorros: Coordinated by the Círculo de Obreros

7. A theoretical doctrinal framework:

- The Gospel
- The magisterium of the Catholic Church
- An understanding of social reality
- Contemporary European social development theory that had formed part of Father Campoamor's training.*

8. A group of persons motivated by their vocation to:

- serve the faith
- promote justice

9. From the beginning the entire Endeavor** has been oriented by the Society of Jesus*** and has been considered an instrument to put into practice the Social Doctrine of the Catholic Church. This orientation today is expressed through service in the promotion of the faith and of social justice.

10. Its origins were driven by an integral conception of development.

11. To promote its objectives effectively through changing times, the Institution was modified under its founder's direction. Thus the institutional structure of the Caja de Ahorros was modified in line

*He was a Spaniard. Among other things, he was well acquainted with the church-sponsored cajas de ahorro that had sprung up in Spain in the late nineteenth century.--Editor.

**Throughout the Spanish original the term obra--indiscriminantly capitalized and in lower case--is used to connote the Fundación Social both in its present form and in its various previous incarnations with different names. The term is derived from the Latin opus and, like it, sometimes has a religious connotation a bit like the English word "work" as in "a work of mercy." Throughout the translation obra has been rendered as "endeavor;" the lower case is used except in this first exposure.--Trans.

***The Society of Jesus, whose members are known as Jesuits, is the largest religious order in the Roman Catholic Church and the one to which Father Campoamor belonged.--Ed.

with the legal reforms of 1923 (Kemerer Mission) and the Caja received legal recognition. At the same time Las Marías, a secular institute whose members collaborated in the work of the Círculo de Obreros, was created.

Las Marías were young women from the poorer sectors who had been trained and formed by Father Campoamor, within the spirit of the endeavor, to assume the administrative and service responsibilities of the various units: cashiers, teachers, sales girls, school restaurant administrators, supervisors of the savings institutions, bookkeepers, etc.

It was through the work, dedication, and ethical management of Las Marías that the Círculo de Obreros was able to extend and maintain its multiple services in the poorer sectors.

12. The Círculo de Obreros took the lead in organizing workers and provided the impulse for their social and political training.
13. As the endeavor developed, new perspectives were shaped to fit the conditions of the historical moment:
 - Extension of savings systems to the poorer sectors
 - Self-financing and self-financed development
 - Use of savings potential to finance a social project, Villa Javier.*
 - Transfer of surpluses to the working classes directly (as interests) and indirectly (as services)
 - Appropriation of surpluses for institutional development
14. The endeavor remained dynamic, and it spread at its founder's initiative. New Círculos de Obreros were created in other Colombian cities.
15. Upon its founder's death in 1946, leadership of the endeavor passed to José María Posada S.J.
16. The new director took over the endeavor entrusted to him, but because of conditions in the country at that moment,** the Círculo de Obreros and the Caja de Ahorros waited prudently for other times to come. The endeavor continued within the same institutional framework that oriented it at the time of its founder's death.
17. After Father Posada died in 1971, groundwork began to be laid for important redefinitions of the Círculo de Obreros and the Caja de Ahorros. Guillermo Velez S.J. and Jaime Martínez S.J. started moving toward a corporate conception and toward greater lay participation. But it was in 1973, under Father Adán Londoño S.J., when this process of

*Villa Javier was a working-class neighborhood on what were then the southern outskirts of Bogotá--Ed.

** The reference is to la violencia, a period of civil war between the Liberal and Conservative parties that began in the late 1940s. Compounded by banditry, sadism, acts of personal vengeance, land grabs, and other economic repression, the inter-party feuding terrorized many rural areas until well into the 1960s and left a death toll in the hundreds of thousands.--Ed.

change reached formal expression. The Statutes were modified, the pastoral work was clearly opened to lay participation, and the Society of Jesus defined its function as that of moral adviser to the social programs.

18. The principal structural modifications of the endeavor under Adán Londoño S.J. were the following:
 - Las Marías were no longer considered a religious institute but instead became officers of the endeavor.
 - The Caja de Ahorros changed its name to Caja Social de Ahorros.
 - Projuventud ("Pro-Youth") joined the endeavor and was developed as a firm specialized in education.
 - The first explicit, systematic formulations of the Axiología (underlying principles) of the endeavor were initiated.
 - Corporación de Ahorro y Vivienda Colmena was created.*
 - Corporación para la Recreación Social Servir was created.**
 - Promotora Colmena was created.***
 - The Caja de Compensación Familiar del Círculo de Obreros Compensar was created.+
 - Fundación para las Comunicaciones Sociales, Cenpro and later the Círculo de Obreros de Cartagena joined the endeavor.++
19. During this period, new economic conditions in Colombia paved the road for the development of finance capital, and the grupos financieros (large financial conglomerates) emerged.
20. In view of the new directions which the Catholic Church had delineated for the Social Apostolate, the endeavor began to be questioned even by

*Colombia's Corporaciones de ahorro y vivienda, savings and housing corporations, are private financial institutions. Designed to funnel private savings into the construction industry, they offer inflation-adjusted interest rates substantially exceeding those permitted within so-called "traditional" savings institutions such as banks and the Caja Social de Ahorros.--Ed.

**A firm to provide recreational opportunities to working class families.--Ed.

***A construction firm.--Ed.

+These firms, "family compensation funds," are private providers of fringe benefit packages. All employers must affiliate with the caja of their choice, to which they pay a monthly sum equivalent to four percent of their total payroll. The nearest U.S. parallel is perhaps an HMO, but the cajas de compensación familiar offer many services in addition to health care. The largest single use of their resources is a government-mandated cash subsidy for each minor dependent of workers earning under four times the minimum wage; thus the cajas achieve some measure of income redistribution, the source of their name.--Ed.

++Cenpro is a radio and television programming firm; the Círculo de Obreros de Cartagena is an organization in the Caribbean coastal city of Cartagena.--Ed.

some sectors of the Society of Jesus.

21. In 1978, after a series of incidents, the crisis between the Society of Jesus and the General Directorate of the Círculo de Obreros became evident when the Social Policy Council resigned and a new council was not named.
22. In 1981, Fundación Grupo Social was created without the prior knowledge of the Father Provincial of the Society of Jesus. Along with this, the endeavor was articulated with the new national conditions for the development of financial entrepreneurship. Some Jesuits continued to raise questions about the pastoral project.
23. The preferential option for the poor was redefined from the perspective of working youth and Projuventud assumed leadership in the Grupo's social action.
24. The firms, the majority of them being in the service sector of the economy, were capital-intensive. As they developed they demanded a very high reinvestment of the surpluses produced by their operations. For this reason, the business character of the firms had to be redefined.
25. A new theoretical doctrinal interpretation was developed emphasizing the need to change the business operation as a whole into a social operation. This generated new challenges.
26. Because of the nature of the institutional structure, the business dynamics were unable to express the new focus.
27. In 1983 the financial sector of the country entered into a profound crisis which indirectly affected the Grupo Social's financial firms.*
28. At the same time that an institutional crisis was developing, the pastoral crisis of the endeavor again became evident.
29. In 1984, after long conversations among the Círculo de Obreros, the Society of Jesus, and the Grupo Social, the endeavor was institutionally strengthened, the statutes were modified, Fundación Social was created (as a result of a merger of the Grupo Social and the Círculo de Obreros), and in a new manner the Society of Jesus assumed social, moral, and apostolic responsibility for the endeavor.
30. Fundación Social is the present name for an endeavor whose most recent history was that of the Grupo Social and whose founding history was that of the Círculo de Obreros and the Caja de Ahorros del Círculo de Obreros. There are no different histories, only different stages or moments in a single history of service; each was a contemporary response to a different moment in one endeavor, one single history.
31. Throughout its history the endeavor has been an instrument at the service

*The reference is to a series of scandals which rocked some of the largest financial institutions and led to a crisis of public confidence at the very moment when the edge had worn off the financial boom of the 1970s.--Ed.

of social change, but it is an instrument that has been updated, that is to say, an instrument that has changed to serve better.

32. Fundación Social is the present expression of the complex of institutions and persons with a will to serve who, inspired by the Gospel and the teachings of the Catholic Church, have been committed to the poor throughout its 74 years of existence.
33. Fundación Social and associated enterprises are a group of persons and firms who, oriented socially, morally, and apostolically by the Society of Jesus and united by their faith in Jesus Christ and by their hope for a better future for the poor, wish to respond to the challenges of present times with their will to serve.

Four characteristics have been the basis of the endeavor of the present Fundación Social ever since its origins in 1911 as the *Círculo de Obreros*:

- Its vocation to serve the poor
- Its social orientation according to the Gospel and the Social Doctrine of the Church
- Its position in national history as an instrument for change
- Its entrepreneurial character

34. Institutions are viewed in a country's history according to the philosophical ideals which inspire them and according to their capacity to address adequately the problems that have led to their creation.

Fundación Social, whose inspiration is the teachings of the Catholic Church and whose institutional problem is that of the poor, has been able to respond due to its great capacity to take on the challenges that history poses.

From the moment of their founding, the *Círculo de Obreros* and the *Caja de Ahorros* responded to a conception of service which grew out of the realities of a country in which the poorer classes were beginning to be restructured in order to place them at the service of an incipient national entrepreneurship, in the raw manner that characterized the emergence of modern capitalism.

But this response undeniably was inspired by Catholic social thought, which at the time summoned the promotion of a Christian working class. The endeavor in itself constituted a place of participation and solidarity directly benefitting the poor.

35. Today, Fundación Social assumes responsibility for reestablishing direct linkages between the institution and the poor, especially those whose links to the table of life have been severed.

This supposes that the endeavor faces a new institutional moment in response to a social reality in crisis. It will draw on the same sources of inspiration as its founder, that it may contribute to the emergence of a new phase of justice.

The intent in all this is to recognize that Fundación Social's history is framed within the purpose of constructing institutional responses that

commit contemporary man in his problematical existence and that simultaneously orient him in his sincere quest for the changes necessary to achieve a more just and fraternal society.

Consistent with what has been its institutional history, the endeavor seeks to be a contemporary response to the problems of those for whom we have opted: the poor.

II. DOCTRINAL FOUNDATIONS

Doctrinal Orientations

36. As an institution and as a dynamic force, Fundación Social bases its actions on:

- The Gospel
- The Magisterium of the Church
- Orientation by the Society of Jesus

These doctrinal bases of its institutional project in the context of social reality are a standing source of orientation and practice, of discernment and service, which must be interpreted from the perspective of the organization's nature and objectives.

The following express, in the form of a response, the doctrinal orientations that arise out of our convictions and our acceptance of the sources that sustain Fundación Social's action.

Christian Response

37. Fundación Social predicates its action on the Christian option that inspired its origins and that has been present in its institutional and social development throughout its history.
38. Fundación Social understands that its mission is to make effective the message of Jesus Christ, who, through his unconditional surrender to the human community in a real and universal manner, made himself the presence of God's love.
39. Fundación Social interprets its mission as actualizing that of Jesus Christ who came to this world "to preach the good news to the poor, proclaim release to the captives, return sight to the blind, set at liberty those who are oppressed, and proclaim the acceptable year of the Lord." (Luke 4:18-19)
40. From this option, Fundación Social strengthens its commitment to carry out projects which take on, directly and decisively, the commitment to the poor in the perspective of transformation and change--projects which clearly promote the personal and social participation of the poor, creating authentic human communities, which are signs of new relationships and of new ways to be and to serve.
41. Fundación Social views itself as an active part of a resistance to an indifferent world marked by selfishness and committed to the consolidation of unjust structures which systematically promote social differences and discrimination and which, through open deeds of injustice and oppression, transform the poor into objects of its concern rather than subjects of history.
42. Fundación Social also considers that in these circumstances growing numbers of persons and groups seek to establish new relationships in which power, knowledge, possession, and being are precisely manifested within the boundaries of brotherhood and justice.

43. As a first Christian response, Fundación Social thus assumes an attitude of conversion--conversion understood as a sincere and decided commitment to transform the personal, social, material, and spiritual conditions which prevent the achievement of the justice and brotherhood which flow from Christ's teachings.
44. This attitude of conversion must radically permeate our entire corporate structure, as well as each individual firm and person, so that each of our firms and our collaborators, as well as those persons procedurally or operationally attached to them, may develop a clear consciousness of the need to open the spirit to God's love, which builds new structures and which constructs in us the new man and the new society.
45. This conversion must be understood as a response in the here and now. It is not a matter of postponing possible accomplishments to an imaginary future of economic affluence or of power acquired through an irrational accumulation of capital, nor is it a matter of taking a naive position vis-a-vis the social and political realities of our history. Our conversion response is above all an admission that time has run out, that the Kingdom of God is at hand, and that it is thus necessary to act effectively within the framework of our corporate operations to demonstrate with facts our faith in the good news for the poor.
46. An ongoing attitude of service understood as a gift, as gratitude, must emerge and be consolidated as a corporate attitude. In all spheres the services of our firms must strive to show clearly that the relationships they develop seek neither to diminish people nor to use them for purposes other than authentic experiences of human and social growth in brotherhood and justice. Thus we necessarily assume the attitude of Jesus Christ, who came not to be served but to serve, and who manifested with his life that service is the authentic expression of love toward others.
47. The framework for our actions is the environment of competition and profit into which our firms and our collaborators are inserted. It is thus necessary to implement the principles of business and social competition within the logic of the Gospel. This implies conversion as "renewal of the mind" and of ways of thinking, constant revision, and ongoing formation.

Business competition should be viewed as the incessant search, creative and imaginative, for new and better economic, social, cultural, and political spaces within which to serve the poor and thereby to infuse social life with dynamic criteria of service.

48. From our Christian option, we consider that a sincere quest for God commits us directly to social change; it is a matter, then, of joining effort, will, and intelligence to create new ways of being and of relating, as human beings who overcome oppression and domination, thus making it possible for the community to exist in dialogue, brotherhood, and justice. Fundación Social accepts the imperative to act personally and institutionally out of this perspective, as a historical contribution to a new order toward which corporate behavior is oriented in the quest to transcend itself.

49. Both the institution as a whole and its plan of social intervention must be interpreted in themselves as means or tools for service to the poorest sectors. They are part of an ongoing quest, with all Colombians, for a society in which our deepest desires for justice, equality, and liberation of the impoverished majorities find concrete forms of expression and life.
50. Our Christian option will then be expressed concretely as the creation of linkages with those who have been systematically severed from real participation in the social structure, so that we may, through an authentic attitude of service, transcend with them to the realization of ways of life that manifest us as children of God and brothers and sisters who share a common destiny.

Ecclesiastical Response

51. The prophetic vision of the Latin American Catholic Church loudly announces the struggle of an impoverished people for the right to a place in history. Dependency and domination, both internal and external, make their appearance in the ecclesiastical conscience, and the Church returns to its historic position and becomes once again the Church of the poor. It gains consciousness that a technical/ scientific progress guided by those who illegitimately hold power, possessions, and knowledge often creates situations in which great masses and even entire peoples have been pushed to the margins of the "table of life." Since Medellín,* the structural comprehension of poverty has caught up with the evangelizing mission of the Church and has committed the Church to the quest for change as an imperative in the Christian response.
52. The Third Latin American Episcopal Conference, held in 1979 in Puebla, Mexico, again took up firmly the "preferential option for the poor" and summoned Christians to follow, that "the demands of justice should first be satisfied, lest the giving of what is due in justice be represented as the offering of a charitable gift. Not only the effects but also the causes of various ills must be removed. Help should be given in such a way that the recipients may gradually be freed from dependence on others and become self-sufficient." (Latin American Episcopate, 1979, paragraph 1146.)
53. This preferential option of the Church arises out of the same option on the part of Jesus Christ. It recognizes the historical force represented by the poor.
54. Fundación Social assumes as its own the response of the Latin American Catholic Church to the challenges of the present moment and consequently:
 - shares with the Church the conviction that the poor themselves can show us with facts the concrete forms which the mandate of love must assume.
 - believes that, above all, the poor are bearers of a tireless hope,

*The Second Latin American Episcopal Conference, was held in 1968 in Medellín, Colombia. At it the bishops formally proclaimed the "preferential option for the poor."--Ed.

- which summons our organization to a constant posture of service to their projects, to their concrete needs, as a support for the achievement of a future which is both desired and possible.
- believes that its presence in our society can be viewed as a driving force for change to the extent that it is comprehended as a standing demand for conversion, both of people and of structures, that we may leave our all-consuming selfishness behind and seek new structures of participation.

55. The conditions of injustice experienced by the poor are put forth as evidence of God's absence and as a denial of the Kingdom. But the solidarity and strength with which the poor confront situations of injustice are a sign of the presence of God in his historical project. These tensions manifest in the concrete situations of the poor are the germ of new conditions of life which orient the Church's commitment toward realizing a new stage of justice.
56. Fundación Social believes that its mission transcends the boundaries of its institutional organization and is conjoined to the mission of the Latin American Church as guided by ecclesiastical teachings.

Consequently, its corporate organization must:

- a) Promote and strengthen those projects which are definitely oriented to serve the community development of poorer sectors. It must seek to commit, in a participatory manner, its own efforts and those of other institutions to the consolidation of those processes.
- b) Support as well those processes that emerge from the initiative of the poorer sectors and that require corporate support if they are to be realized.
- c) Sponsor those initiatives for change in economic, judicial, cultural, and social structures that may permit a widening of the arena for action in the impoverished sectors as they seek to recover their right to be subjects of history.
- d) Be sensitive when confronted by situations of extreme poverty and respond to them with the generosity that grows out of Christian charity.

Response of the Society of Jesus

57. Fundación Social, entrusted to the Society of Jesus for its moral, social, and apostolic orientation, views itself as an institution whose project is inscribed in the fundamental objectives of those who orient it.
58. Fundación Social as an institution takes on the vocation of service, faith, and justice which inspires the Society of Jesus, whose apostolic mission is defined as "a service of faith and promotion of the justice which that same faith demands" (General Congregation of the Society of Jesus XXII, 1853, Decree 2, No. 203). This option is inextricably tied to the option of the Catholic Church as manifested by the popes and by the Latin American bishops in Medellín and Puebla.
59. In carrying out its mission, the Society of Jesus believes that:
 - a) "The prevalence of injustice in a world where the very survival of the human race depends on people caring for and sharing with one another

is one of the main obstacles to belief: belief in a God who is justice because he is love." (GC, 1974-75, D.2, N.7).

- b) "The way to faith and the way to justice are inseparable ways. It is up this undivided road, this steep road, that the pilgrim Church must travel and toil" (GC, 1974-75, D.2, N.8).
 - c) "Faith and justice are undivided in the Gospel which teaches that faith makes its power felt through love. They cannot therefore be separated in our purpose, our action, our life" (GC, 1974-75, D.2, N.8).
60. The promotion of justice is not simply one apostolic area among many; rather, it should be the concern of our whole life and a dimension of all our apostolic endeavors. Similarly, solidarity with men and women who live a life of hardship and who are victims of oppression must be a characteristic of the life of all of us as individuals and a characteristic of our communities and institutions as well (GC, 1974-75, D.4, N.47-48).
61. Walking patiently and humbly with the poor, we learn from what they have to teach us what we can do to help them. Without this arduous journey, our efforts for the poor will have an effect just the opposite from what we intend, we will only hinder them from getting a hearing for their real wants and from acquiring the means of taking charge of their own destiny, personal and collective (GC, 1974-75, D.4, N.50).
62. "To remodel society to a more just, equitable, and human form affects more profoundly than anyone else the poor, the workers, the peasants, all those social classes that are forcibly kept on the margins of society, unable to enjoy its goods or services adequately or to participate in its decisions. The more directly these decisions affect the interests of the poor and the scorned, the less they should be taken without their active presence" (P. Arrupe, Iglesia de hoy y del futuro, p. 290).*
63. Among the concepts in current Jesuit social thought is the need to create new men. The Society of Jesus considers it impossible to build a more just society without first beginning with an authentic personal conversion that overcomes the hedonism, utilitarianism, and selfishness that abound in today's society.
64. "Conversion is not the gift of something we can afford to lose. It is much deeper than the abandonment of something that is part of our beings and that prevents us from accurately interpreting the signs of the times and from seeing with wisdom and fullness" (P. Arrupe). This conversion is possible only when our level of consciousness is raised concerning the desperate plight of the thousands of dispossessed who live on the fringes of our cities, too close for us to avoid seeing them.
65. The Society of Jesus assumes that the greater its solidarity with the poor, the greater will be the validity of its pastoral action.

"'To know' and 'to have,' that is, to center on oneself and to

*Pedro Arrupe was Superior General of the Society of Jesus for some two decades until his resignation in 1983.--Ed.

appropriate things with intelligence or power, are unquestionably enriching dimensions of man, but only to the extent that they do not close us to other men but instead enrich the same gift and loving commitment of ourselves towards others. All who increase the knowledge of this world or the assets of this world in order to put them at the service of humanity are engaged in an endeavor to humanize both themselves and the world" (GC, 1983, D.1, N.48).

66. The Society of Jesus believes that "although the roots of the kingdom of injustice are within ourselves, that injustice is structurally accentuated in the world, with objective independence from each man." (P. Arrupe, "Hombres para los demás," p. 119).

"Furthermore, we cannot change ourselves, even to the final consequences, if we do not change our world. To commit ourselves to justice is to commit ourselves to becoming effective agents of transformation and change."

67. This requires us to discern the situations that need to be transformed and to develop plans and tactics to reach efficiently the liberating and transforming goals. (P. Arrupe, "Hombres para los demás," p. 193.)
68. Attitudes for promoting structural change are:
- a) A firm determination to give to our individual, family, social, and collective lives a tone of far greater simplicity.
 - b) A firm determination not only to avoid participating in any profits of clearly unjust origins, but even to avoid acting out of the motives of an economic and social structure which is unjustly organized. (P. Arrupe, "Hombres para los demás," p. 196).
69. Thus the agenda of change must be adopted sincerely, prudently, and profoundly if we are to be capable of making a Christian contribution to a true transformation of the world.
70. The Society of Jesus proclaims that the Christian faith is above all faith in love victorious. It is therefore the foundation of our hope.
71. To the extent that Fundación Social commits itself to these doctrinal orientations, in cohesion with the Society of Jesus it will become an authentic Christian response to the challenges of our world.

Response of Fundación Social

72. In keeping with the Gospel, the Latin American Episcopacy, and the Society of Jesus, Fundación Social has made as its own the preferential option for the poor. This option, whose deepest roots are found in our sources of inspiration, commits the Fundación in its present and future work.

For Fundación Social the poor are all those for whom social conditions prevent the development of their human and spiritual potential and consequently impede their participation in the history of the national community.

We label as poor not simply those with few resources but above all those

who live in misery, those who barely survive.

Taking on the preferential option for the poor implies acceptance of the following: a) That the situation of economic, political, and cultural scarcity in which they find themselves is the result of unjust systems and structures. b) That such conditions of poverty must be overcome by actions that allow the poor, through their conscious and organized participation, to produce the changes needed to create human, dignified, and fraternal living conditions.

So viewed, this option allows the Fundación to state unambiguously that its task cannot be conceived as simply helping the poor or acting in favor of the neediest, since such a conception would make them objects of a process equally alienating. Rather, the option compels the Fundación to work actively to attack the factors and situations that generate poverty in the first place.

73. An integral vision of the problem discovers in poverty an absence of the four great dimensions that shape social life: personal, economic, political, and cultural--or, in other words, "being," "having," "being able to act," and "knowing." To live in a society it is not enough to have; it is necessary to act politically upon that society and to have access to knowledge. Not only do the poor lack possessions; they also lack the authority and consciousness necessary to participate in a community.

Poverty unquestionably has deep economic roots in the monopoly exercised by a minority of persons, entities, and countries over the entire social system.

74. The simple laws of private property, unfettered competition, free enterprise, and unimpeded markets are insufficient to govern equitably a world impelled by modern means of production.

Nor is poverty solved through the simple abolition of private property. This alternative ultimately generates a powerful caste of officials who, although they lack title to property, accumulate for themselves political and even military power by monopolizing the management of property.

It is necessary to generate new forms which guarantee equity and the participation of all in work and social benefit; forms that destroy neither the indispensable margins of freedom and private initiative nor the control of civil society over state officials.

75. Poverty is not only a material and objective problem which produces exploitation but also a subjective problem which destroys the person and generates oppression because it leaves people incapable of participating in an egalitarian society.

Perhaps the worst aspect of economic hardship is not even the privation which the poor are forced to face in terms of material goods. Harder and more degrading still is the progressive annihilation of the person in all the social, cultural, and political dimensions of an authentic human existence in community--in sum, the negation of the person. The poor are not only exploited, they are also, and above all, oppressed.

When the fundamental schemes of language are not developed in all their richness and flexibility, all subsequent development of consciousness is affected by a premature sclerosis. All processes of analysis, of synthesis, of comprehension remain limited. Fantasy and creativity are arrested, memory stays dry and disjointed. Poverty is above all the destruction of the person, of the subject.

76. Misery dehumanizes poor and nonpoor alike. It causes all sorts of voids. It breaks all structures of emotional life and brings violence to relationships of subject with others and with self.

The crux of poverty is the destruction of subjectivity which it implies and manifests. The poor have become topics of study, objects of research, campaigns, and policies. But rarely do we recognize their right to be authors and subjects--economic, social, cultural, and especially political--of their own destiny.

Fundación Social should direct its efforts not to making the poor objects of its own individual or collective beneficence but to opening space for them to develop and manifest their oppressed, arrested subjectivity. The oppressed must become subjects of their own economic, social, cultural, and political development.

Thus the idea is to build with them socially legitimate, historically valid alternatives in order to sponsor a socially harmonious existence which, based on justice, will permit us to harvest the fruits of peace that flow from returning to the poor their humanity--just as we are humanized with them, in what consequently becomes a dynamic of common liberation.

77. In this manner the option for the poor becomes a deep and serious challenge inviting us to disentangle the social struggles they face. It is an active vision of social and economic intervention. The poor make themselves into a source of demands which, as they are historically resolved, will provoke the most profound desire for service to their cause--as a sincere, real adhesion to the person of Jesus Christ who is incarnated in the poor as a suffering servant.

This option similarly provides a basis for interpreting business realities. It permits us to explore in depth the structures that produce poverty and simultaneously to discover concrete ways for our firms to serve the poor.

III. PRINCIPLES

78. As guardian of a historic mission, Fundación Social bases its conduct on a set of principles defined as "theoretical statements or formulations" that express the ideological basis of human action. Their capacity to provide continual orientation in the light of the Gospel makes them parameters in the process of institutional ordering.

The history that precedes and explains Fundación Social's nature and goals, as well as the teachings of the Gospel, the magisterium of the Church, and Jesuit social thought, are expressed concretely as applied to business in the following principles, interpreted in the context of Colombian business realities:

79. **Solidary Appropriation of Surpluses**

The needs and aspirations of the poor define the criteria for appropriating surpluses produced by Fundación Social and its firms.

Projects mobilized by the Fundación must not be limited to the generation of goods and services to satisfy the immediate need of the poor in a paternalistic consumer relationship. On the contrary, in the genesis and delivery of those services, the poor must change from being passive receptors to being active agents of their own progress.

Humanization of Capital

Fundación Social is a productive unit which, in spite of its insertion within a capitalist model of development, generates its own relationships between capital and work, recognizing the supremacy of the workers' human dignity over capital as a factor of production.

80. **Humanization of Property**

Fundación Social and its associated firms constitute a unit with social potential in which relationships are generated between ownership of the means of production and ownership of the surpluses produced by its operations. As the capital of its firms increases, the Fundación must tend to return more and better services to the poorer sectors, so that their participation in social benefits can increase progressively.

For Fundación Social the firms are means, tools to reach an end: to serve the poor. This means that the social end must always take precedence in the creation, ownership, management, and operation of the firms. It is the social end that explains our firms, not the reverse.

81. **Solidary Use of Power**

The possibility of contributing to the construction of a more just and fraternal society gives Fundación Social the political potential to create spaces of participation within which the poorer sectors can earn this possibility.

82. **Ethics of Business Conduct**

A rigorous ethic must govern Fundación Social's firms as they develop their corporate and commercial activities.

Relations with clients, providers, competitors, etc., must reflect a recognition of their right to suffer no deceit, abuse, or impairments of

their prerogatives.

In the same vein, those who collaborate with Fundación Social and its associated firms must assume, responsibly and with solidarity, the fundamental option: to serve the poorest of the poor. All collaborators are participants in this option, and from it emerge the ethics of all business activities.

IV. EVOLUTION OF SOCIAL CONCEPTS IN FUNDACIÓN SOCIAL

83. Stage of the Institutional Organization of Workers

Father José María Campoamor S.J. conceived the *Círculo de Obreros* and the *Caja de Ahorros del *Círculo de Obreros** as means for organizing workers of both sexes directly. That is, workers were institutional components of the endeavor.

Consequently, moral action--in the institution, in economic welfare, and in moral training--was directed toward a population that took an active part in the institution's efforts.

The workers were organized as active partners and collaborated directly in decision making and in defining strategies for their own advancement.

The sense of belonging to the institution strengthened unifying links within the working sectors around principles and projects for their well-being coordinated directly by the *Círculo de Obreros*.

The organization of workers was built around initiatives growing out of their real needs and then acquired an institutional character. The fundamental policy at that time was to organize workers institutionally and thereby create, through their own organization, the potential necessary for their development.

To carry out this policy, Father Campoamor involved "gentlemen"--that is, representatives of the privileged classes of that time--in the institution as "protectors."

84. Stage of Formation of Working Class Youth Leaders

In a second stage of the endeavor, the preparation of young working class leaders was established as the focus of social action.

The promotion of *Juventud Tabajadora Colombiana* (Colombian Working Youth) was established as the flagship project and each of the business units became a source of resources and a factor in this program. The institution was then organized into firms that produced economic resources and firms that invested those resources in social undertakings. The *Círculo de Obreros* coordinated these efforts and emphasized the appropriation of surpluses for the development of youth organizations.

85. Stage of Social Redefinition of Corporate Character

Although the emphasis on preparing working class youth leaders was not abandoned, the desire to incorporate the preferential option for the poor and for youth into the consciousness of management led to a reformulation of the institutional focus: to seek efficient management in social action programs.

In this third stage, the Endeavor was defined as an institutional conglomerate acting through its firms to effect change in seven basic variables in order to modify the economic, political, and social participation of the poorer sectors.

V. "LINKAGES WITH THE POOR": THE FUNDAMENTAL ELEMENT IN A NEW POLICY

The option for the poor, and among them for the poorest, commits the institutional character and business conduct of Fundación Social and its associated firms in a particular way.

86. Creating Linkages

To become linked is to belong to a common history, to a common project. It is to take on freely the condition of others, to fulfill one's own personality through participation in the fate of others. To be linked together is to be united by a common destiny. The linkage deeply commits our subjective selves to rupturing the obstacles that prevent us from opening to others. Anyone who establishes linkages to something or someone takes on as his or her own that which is the object of his or her own decision. The linkage is the the social expression of a decision profoundly involving the institutional and personal option.

87. Poverty is, Above All, a Lack of Linkages

The poor become disconnected from their own beings as a result of their frustration at being disconnected from the culture of their national society and from social and economic participation in that society.

Modern societies, characteristically, have not allowed the lives of the poor to be individualized, and through their social programs have demobilized and disconnected all popular and productive organization to the point that these societies leave the poor incapable of projecting themselves as a historical force.

Around their own social experience, however, the poor develop particular forms of linkage that express their own values, their own conception of life, their own culture.

88. In Fundación Social's present moment, the poorer sectors must be linked in a project that assumes as a principle that social, cultural, economic, and political participation by the poor results from strengthening their links with national history. Such a project must discover the poor not as isolated individuals but as a human community, as participants in a process of consolidating a culture of solidarity.

A corollary of this principle, given that the poor are not integrated into Fundación Social as a structural component of the institution itself, is that it should orient its social intervention on the one hand toward establishing linkages of its corporate efforts to organizations of the poor and, on the other, toward using its own operations to promote linkages among the poor, and between the poor and their own efforts at self-help.

VI. SOCIAL CHANGE FROM THE PERSPECTIVE OF THE POOR AND FUNDACIÓN SOCIAL'S CORPORATE CONDUCT

Change From the Perspective of the Poor

89. In practical terms, the poor are those who are temporarily or permanently in a situation of dependency, weakness, or humiliation. The poor lack power, influence, money, knowledge, technical training, physical strength, intellectual agility, freedom, and personal dignity. The privation experienced in these areas varies from one time to another and from one society to another, but poverty is always defined as a social relationship; neither poor nor rich exist by themselves.

90. Poverty is manifested as privation. The various kinds of privation which constitute poverty may be classified in four broad categories:

- Lack of power
- Lack of knowledge
- Lack of possession
- Lack of being*

Power, knowledge, possession, and being are manifested as everyday realities for those who are not poor. One possesses them or they are readily accessible. Therefore fighting poverty is a creative, positive action; it is working to make possible the presence of a series of goods, relationships, accesses, and understandings whose absence constitutes poverty for many groups and persons.

91. Poverty as Lack of Power

Power can be defined as the capacity to make some interests prevail over other interests. Such interests may be individual or collective.

Interests, as suggested by the word itself, are those things which are important to a person or group, those things which deserve to be asserted to others as valid. Poverty as lack of power exists because there are human groups that cannot make valid their aspirations within a society, that cannot stabilize their development or modify undesirable situations.

Just as the possibility of making interests prevail (presence of power) generates a dynamic of creativity and development, so the lack of power generates a dynamic of deterioration and suffering; power and lack of power have verifiable manifestations.

92. Poverty as Lack of Knowledge

Knowledge can be defined as the capacity to orient facts, processes, and phenomena with validated rationality and cognizance. Validated rationality is a product of science, and cognizance is a product of

*I have used "lack of" for the Spanish carencias en, which might also be translated "deficiencies in." The Spanish poder, saber, tener, and ser are infinitives used here as nouns. Thus "lack of power," "lack of knowledge," "lack of possession," and "lack of being" could also be rendered as "deficiencies in being able," "deficiencies in knowing," "deficiencies in having," and "deficiencies in being." Neither the nouns nor the participles can do full justice to the Spanish original.--Trans.

systematic reflection and thought.

Knowledge is a manufactured good, a product that can be grown, conserved, and distributed like almost all other goods. One is poor when one does not have the possibility of tapping existing knowledge (lack of access to education or participation in a deficient educational system), when one does not know how to produce new knowledge or how to apply knowledge adequately (scientific and technological dependency), or when one does not know how to disseminate one's own knowledge or to know and gain access to the knowledge of other groups (lack of information and anonymity).

93. Poverty as Lack of Possession

Possession can be defined as the access, use, and/or ownership of goods and services at levels that permit basic needs to be met sufficiently, that is, that adequately satisfy needs for nutrition, health, education, work, decent working conditions, participation, and cultural expression. Since some access to the use and/or ownership of goods is possible even at extreme levels of poverty, it is the level of access that defines poverty and non-poverty. This level varies with social surroundings, although all contemporary societies have defined (through the United Nations) minimum levels in terms of calorie and protein intake, health services, years of education, income, job security, cultural and political participation. In other words, access, use, and/or ownership of goods are not enough; a minimum level is required to define possession.

94. Poverty as Lack of Being

When people have the real and recognized possibility to affirm their own identity through the exercise of their human faculties of intellect and will, and to express them personally and intimately, it can be said that they can "be." Personal expression implies the capacity, and above all the existence of possibilities in practice, to express oneself symbolically, to make explicit one's universe of values, thoughts, and aspirations. Intimate expression implies the existence of real possibilities for the development and fostering of consciousness, affective and sexual intimacy, and a social code of privacy.

95. The level of being poses complex problems for the analysis of poverty since the relationships and results of its absence or presence are not easy to classify.

Out of situations of extreme poverty symbolic universes rich with content have emerged and continue to emerge. Many great artistic expressions familiar to us are products of human groups that have been subjugated and maintained as impoverished minorities. Jazz, Negro spirituals, the tango, and popular Haitian art could serve as examples. The rational use of goods and the virtues of mutual support and sharing are other benefits that emerge in atmospheres of poverty. But poverty also generates fatalism, hostility toward life, death from malnutrition, rebellion of conscience.

At the level of being, poverty becomes dialectically a source of creation and an object of attack. We must combat poverty, but at the same time we must preserve the spirit of poverty so that we may use goods with

restraint, and use power as service, and science as a resource.

96. Privation and Change

In view of the preceding analysis, the option which Fundación Social has made--to work for change from the perspective of the poor--has concrete meanings:

- To work to eliminate the factors that generate in the poor the lack of power, knowledge, possession, and being.
- To produce creatively new goods and services, new work relationships, new social and political participation, that can change the absences into presences of power, possession, knowledge, and being.
- To be able to identify and preserve that symbolic, value-laden universe that emerges within poverty, that allows society to handle its presence with moderation and prevents abundance from being a prelude to the decadence that abundance represents in the absence of austerity.

97. Fundación Social's Corporate Performance From the Perspective of the Poor: The Will to Serve

In order for Fundación Social and its firms to act coherently in the quest for change, several questions must be answered:

- What differentiates Fundación Social from other financial conglomerates in its conception, organization, and goals?
- What are the implications of these differences at the corporate level?
- What is Fundación Social's model of social intervention?

This section addresses the first two questions; the model of intervention is discussed in the next chapter.

It is not redundant to insist that the delimitations offered here are subject to modifications and new interpretations, as are demanded by the practical history of any organization.

98. Fundación Social's Specific Characteristics as a Corporate Conglomerate
Its Character as a Nonprofit Foundation:

Fundación Social, a corporate conglomerate for the common good, is composed of all its associated firms, some of which are corporations, others limited partnerships, foundations, or nonprofit corporations.

This model of corporations and nonprofit organizations together forming one foundation, Fundación Social, seems to have no parallel in Colombia.

Numerous nonprofit foundations exist in the country, but Fundación Social has a unique characteristic: it acts with the criteria of a business and produces its own resources. The majority of foundations do not produce their own resources; they channel the resources of other entities (national or foreign) to fulfill their objectives of the common good.

Being a foundation, Fundación Social similarly works for the Common Good, but Common Good as defined from the perspective of the poor. For Fundación Social this means that to work for the poor, to fight against poverty, is the the best way to work for the good of the entire social system. In practical terms, for Fundación Social the Common Good is attained to the extent that the poor's lack of power, knowledge, possession, and being begins to disappear.

Fundación Social unites institutionally and operationally two concepts that have usually been separated in society: the business firm and the foundation. Joining the firm's objectives and the foundation's objectives together in a single complex gives rise to another of Fundación Social's specific characteristics: it changes the business firm into a radically new social institution.

99. The Business Firm as a Social Institution

Accepting the notion of the firm as a social institution implies acceptance of the following:

- That the Common Good is not a marginal task in society; that is to say, for Fundación Social it is not ethical to delegate the agenda of the Common Good to the State while the firm works for the private good.
- That the Common Good is the real end of the business enterprise. An economic system that produces goods and services while neglecting the Common Good risks its own destruction. Fundación Social rejects private benefit at the expense of the Common Good, that is to say, private benefit that hurts the poor.
- That an adequate business development is one which combines economic productivity with adequate social impact that attacks the privation which constitutes poverty.
- That the appropriation of business profits is defined not by the will of capital but by the interests of the poor. These implications are the natural product of uniting the concepts of firm and foundation in a single institution.

100. Management Implications of Fundación Social's Special Characteristics
At the Organizational Level:

- Institutional mechanisms must be created and maintained that will guarantee that economic surpluses produced by the firms are not privately appropriated but used to benefit the poor, whether through new business services or through specific projects. The Fundación attempts to guarantee this orientation through the social, moral, and apostolic presence of the Society of Jesus on the Fundación's Social Policy Council.
- Institutional mechanisms must exist that will guarantee effective management and the development of economic and institutional resources as a common property of the poorer sectors so as to prevent managerial efficiency from hurting the Common Good. This is guaranteed through the Fundación Social's Council of Directors. This Council orients the conglomerate of firms with the criteria of the "quasi-owner": with an efficiency as if it were personal property but with an ethic and generosity as if it belonged to the poorer sectors.
- Service to the poor must always be maintained as the active source of origination for the institution and its business ventures. This means that Fundación Social's criteria for business competition are shaped by the quest not for economic supremacy but for the supremacy of service to the poor. It seeks to be highly productive in order to attack the privation that constitutes poverty, not to compete with those who privately accumulate.
- Austerity in institutional form and expression is always necessary so that the poor will not feel inhibited from using our institutions and services.

101. At the Government Level:

Because of the way Fundación Social is constituted (combining characteristics of the firm and the foundation), it pays the Colombian government doubly:

- Directly, through the taxes that Fundación Social's corporations and limited partnerships rigorously pay; and
- Indirectly, through Fundación Social's reassignment of its surpluses to its nonprofit firms for public benefit.

Thus Fundación Social not only produces its own resources and generates work and wealth like any other business enterprise, but its surpluses are both taxed and applied for the common benefit (of the poorer sectors).

102. At the Management Level:

The managers of Fundación Social's various firms face special challenges as they direct the enterprises entrusted to them:

- They must strive simultaneously for economic efficiency and social impact.
- They must seek strategies for bringing the benefits of their business ventures ever closer to the poorer sectors; that is, they must be creative enough to work productively within the borders of scarcity. The design and operation of traditional business firms have grown out of a culture of wealth; the managers of Fundación Social's firms must force themselves to develop efficient managerial designs within parameters of poverty.
- They must work individually and collectively to create a corporate culture built around the Common Good defined from the perspective of the poor, which implies studying in depth their competitiveness in service and in management forms to attack productively the lacks that constitute poverty.
- They must conduct their firms efficiently within their particular sectors and in conformity with Fundación Social's overall scheme of social intervention.

VII. FUNDACIÓN SOCIAL'S MODEL OF SOCIAL INTERVENTION

103. A model of social intervention seeks to modify a milieu of which one has some knowledge. It therefore presupposes an understanding of the direction in which one wishes to intervene, a familiarity with the tools to be used for the intervention, a strategy for applying such tools, and a purposefulness which may be either made publicly explicit or left hidden. If explicit, to the extent that it implies participation, it is a social model; if explicit without participation, it is a model of domination; and if hidden, it is a model of social manipulation.
104. A model of social intervention serves several functions:
- It helps face uncertainty since it permits a multiplicity of actions and decisions to be oriented with meaning and direction.
 - It permits a distinction to be drawn between those actions that are socially relevant and those that are not.
 - It serves as a means for converting theoretical or doctrinal conceptions of reality into historical facts.
 - It provides guidance and instruction for selecting one option from among several.
 - It helps temporarily--all social models are finite--to bring institutional or social action more closely into line with the larger purpose or goal that orients it.

General Characteristics of the Fundación Social's Model of Social Intervention: (Logic of the Model)

105. In keeping with the tradition of Fundación Social, the model being defined is framed within the preferential option for the poor, and specifically for the poorest of the poor.
- a) Purpose and intent of the model: Fundación Social's model of intervention seeks as its goal to establish linkages to and within the poorest sectors of the population in order to energize their political, economic, social, and cultural participation.
 - b) Levels of linkage: The process of creating linkages will operate at three levels: i) at the level of the firms' traditional operations; ii) at the level of special projects of intervention by the Fundación Social as a whole; and iii) at the level of the social superstructure, mobilizing it to stimulate popular participation.
 - c) Each of the levels builds its operations around a diagnosis of the real needs of the poor, a diagnosis which identifies opportunities to strengthen already existing linkages as well as to create new linkages based on the potential for solidarity with the poorer sectors. Within a framework of healthy pluralism, these opportunities will allow the development of processes with different characteristics depending on whether the linkages flow out of:
 - traditional operations of the firms,
 - integration of projects involving several firms, or
 - mobilization toward structural transformations.
 - d) In the process of strengthening and creating linkages, the following areas are identified as priorities: housing, employment, education, technology, finances, health, and communications.
 - e) The model is structured around a fundamental criterion: "the deaconry of charity," understood as the imperative of unconditional service to those in extreme need who require indispensably our help

to initiate a process of strengthening authentic relationships for a life in community.

106. Linkages and Levels of Linkages

To link means to unite, to tie. In defining the development of linkages to and within the poorer sectors as the goal of its model of intervention, Fundación Social makes a decision to unite with, and tie itself to, the poor; to link its economic and institutional capacity to the poor; and to work so that the poor find creative ways to link themselves to each other. These linkages will be developed at three levels:

107. Linkages Through the Traditional Operations of the Firms

At the level of traditional operations of the firms, to establish linkages implies overcoming a view of the poor as clients for economic transactions and users of service projects.

Fundación Social's firms have traditionally offered services that seek, directly or indirectly, to promote the advancement of the poorer sectors.

The orientation of these services is specialized according to the social object of each firm's activities. Within its traditional operations each firm must identify its possibilities for strengthening and/or developing linkages with the poorer sectors, at the same time maintaining its specialization and taking entrepreneurial initiatives without detriment to its efficiency and productivity.

Whether implicitly or explicitly, various Fundación Social firms have been developing processes for creating linkages. What the Model of Intervention now seeks is clearer and more systematic action. Within this perspective, for example, the Caja de Ahorros' branches must evolve from Caja offices to "financial spaces" of the local community. The Caja Social de Ahorros will have been linked when the spatial and operational design of each office lead the inhabitants of each community to perceive it as the place where the community's financial economy is developed--because the requisite information exists, because the necessary financial services are available within the community's own cultural framework, and because the branch manager is not only the office administrator but also a social leader recognizably linked to the community. That day, the office will belong not to the Caja Social de Ahorros but to the community. Certainly this conception will lead the Caja to think of new services, to modify others, and perhaps to invent other administrative forms.

If Promotora Colmena were not only to sell its houses but also to create a legal services office to help buyers from the poorer sectors work through government red tape and, once the homes in the subdivision were sold, to help the community in its process of development, then Promotora Colmena would be creating linkages. Similar examples could be developed for each firm.

At the level of traditional services, the goals of the Model of Intervention also include the establishment of linkages among the various persons who share common purposes, tasks, and aspirations.

Presently Compensar, through its training of preschool instructors, is achieving the first step in linking a group of teachers together, although it is necessary to go beyond the creation of new linkages produced by sharing the training itself. A similar case is the linking together of operators of tiny businesses under the sponsorship of Projuventud and the Caja Social de Ahorros.

108. Purposes of Creating Linkages: Summary

We can summarize the purposes of creating linkages as follows:

- a) Through its services each of Fundación Social's firms will seek to create linkages with the concrete processes and groups it serves, overcoming in the process the notion of clients and users. It will participate in the history and development of those groups until they can perceive concretely that the Fundación's firms are part of their history and their lives.
- b) Through its services each firm will seek to create linkages among persons and groups that share a common history, common work, and common aspirations, in order to achieve specific goals that contribute to the social development and participation of these groups.
- c) Both purposes (creating linkages with, and creating linkages among) seek to link Fundación Social's history to that of the poor.
- d) This process of creating linkages strives also for the well-to-do to link themselves to the history of the poor through Fundación Social.

109. Linkages Through Special Projects

The creation of linkages through special projects promoted directly by Fundación Social is the second level of the Model of Intervention.

Special linkage projects are those in which several Fundación Social firms combine their efforts in order to achieve a specific impact on specified populations. Through these projects Fundación Social seeks to combine the distinct capabilities of its various firms into more complex forms that offer new alternatives for action in the social arena. Special projects respond to problems of promotion and development among the poor that require integrated action by the Fundación and its firms. Such initiatives are far-reaching in scope and expected impact. It is through such projects that the Fundación expects to fulfill its institutional commitment. The following projects fall into this category:

- Urban development in Barrio Jerusalem through community organizing and self-help housing construction.
- Organization of microempresarios (owners of tiny businesses) and development of national and international marketing systems for their products.
- Formation of the poorer sectors in the faith through church parish-es, public schools, and comunidades de base (base-level communities).
- Initiation of studies and creation of basic conditions for agro-industrial projects.

Each of the specific projects implies the combined action of several firms under one designated lead firm:

JERUSALEM PROJECT:	Fundación Colmena, Corporación Colmena, Caja Social de Ahorros, Compensar, Projuventud, and Cenpro, (with participation also by Servivienda).*
MICROEMPRESAS PROJECT:	Projuventud, Caja Social de Ahorros, Prosistemas [computer information firm], Servir, Compensar, Cenpro, Leasing Colmena [leasing firm].
FORMATION IN THE FAITH PROJECT:	Cenpro, Projuventud, Litosocial [publishing firm] with participation also by Universidad Javeriana [Jesuit university in Bogotá].
STUDIES FOR AGRO-INDUSTRIAL PROJECT	Caja Social de Ahorros, Corporación Financiera de Occidente [venture capital firm in which Fundación Social is minority shareholder], Leasing Colmena, Projuventud.

As indicated above, these projects combine specific actions of the firms, but each firm also must have its own processes, within its traditional operations, for creating linkages.

The following criteria will govern the special projects:

- They will be promoted directly by Fundación Social's Social Policy Council.
- Fundación Social will expressly designate the lead firm for each project. This firm will design and coordinate the combined actions of the different participating firms.

110. Mobilization of the Superstructure

The third level of intervention has been defined as mobilization of the superstructure for the development of linkages within the popular sectors.

Fundación Social's intervention must have an impact on other sectors of society at the superstructure level, especially on the political and economic sectors. The success of this work depends on three factors:

- On the work of ideological articulation carried on among influential circles by the leaders of Fundación Social (Councils and Boards of Directors) and by the managers of the various firms.
- On events and on public positions which Fundación Social takes concerning Colombian social issues.
- On creating currents of opinion and channeling social forces favorable to the interests, projects, and achievements of the poorer sectors. At this level the model of intervention strives to build an internal and external ideological unity around the option for the poor. For Fundación Social it is not enough to act from the viewpoint of the poor. It is also necessary to advance and channel social forces

*Servivienda, a Jesuit-sponsored institution specializing in low-cost pre-fabricated housing, is not part of Fundación Social.--Ed.

that promote structural transformations as a contribution to social change.

111. **Priority Aspects, Areas, or Variables in the Model of Intervention**
Fundación Social operates its model of social intervention as a strategic means for advancing the poor in the areas of housing, employment, education, technology, finance, health, and communications.

As can be inferred from the previous paragraphs, these areas are not developed directly; rather, they are woven into the different levels of intervention with varying degrees of emphasis. In other words, the Model of Intervention does not seek directly to influence these areas but only to have an impact on particular problems that involve them to varying degrees.

In the first level of intervention, each aspect or variable is emphasized according to the nature of the particular firm: Caja Social de Ahorros emphasizes the financial aspects of creating linkages, Cenpro the communications aspects, Compensar the health aspects, and so forth. The areas which require greatest stress are education and communications, since all the processes of creating linkages require those components in a special way. At this level, the variable which seems weakest, and which therefore will challenge Fundación Social's creativity the most, is employment, because of the recession afflicting the economy.

In the special projects (second level of intervention) the emphasis among the variables is clearer:

- The Jerusalem Project emphasizes, in order: housing, technology, finances, employment, communications, education, health.
- The Microbusiness Project emphasizes: education, finances, technology, employment, and communications.
- The Formation in the Faith Project: education, communications, technology.
- The Agro-industry Project: employment, technology, finances, education, health.

In the third level any of the variables can be emphasized.

112. **Implications of the Model of Intervention**

The implementation of this Model of Intervention has a series of corporate implications for Fundación Social:

- a) It is necessary to decentralize management initiatives further in order to facilitate strategies for creating linkages. This must be done in a manner that makes it possible to respond to local and regional needs where the entities are located without losing the Fundación's corporate unity.
- b) Corporate goals must be redefined to include the development of processes for creating linkages. These must serve as parameters for institutional evaluation and social balance.
- c) The three-year plan must include a prescription for each firm's progressive development of processes for creating linkages.
- d) The Social Balance Statement must be defined as a structural element of Fundación Social and each of its firms.

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